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Korea Wallpaper Sdn Bhd v Pendaftar Cap Dagangan

B HIGH COURT (KUALA LUMPUR) — ORIGINATING SUMMONS NO WA-24IP-12–07 OF 2018
LIM CHONG FONG J
19 NOVEMBER 2018

C *Trade Marks — Registration — Refusal — Registration of trade mark refused by registrar — Challenge against decision of registrar — Whether mark inherently distinctive — Whether mark actually or factually distinctive — Whether trade mark registrable Trade Marks Act 1976 s 10(1)(e)*

D This was an appeal against the decision of the registrar of trademarks in rejecting the trade mark application. The plaintiff was a private limited company and involved in the business of sales and marketing of wallpaper. The defendant was the body constituted pursuant to s 4 of the Trade Marks Act 1976 ('the Act'). The plaintiff had made an application to the defendant via E application No 2012058631 in Class 27 ('the application') to register a trade mark named as Korea Wallpaper ('the mark') but the defendant rejected the plaintiff's application. In consequence and at the behest of the plaintiff, there was a hearing conducted before the defendant on 11 April 2016 where in the F plaintiff's trade mark agent made representations. The plaintiff's trade mark agent thereafter sent further submissions and produced further supporting documentation to the defendant. After due consideration, the defendant again rejected the plaintiff's application by reason that it did not comply with s 10(1) of the Act. The plaintiff was dissatisfied with the decision of the defendant and G had accordingly filed the present appeal. The defendant found that the application did not meet any of the limbs in s 10(1) of the Act. One of the grounds of the decision made by the defendant was that that the mark was not a distinctive mark stipulated in s 10(1)(e) of the Act. The mark was not inherently distinctive because it was a combination of the descriptive words H that had direct reference to the plaintiff's product together with a geographical name. The mark was not factually distinctive because the defendant failed to sufficiently adduce evidence of long and extensive use of the mark that the public associates the name with the mark. The plaintiff, in the present appeal, only focussed on the point that the mark ought to be registered as a distinctive I mark pursuant to s 10(1)(e) of the Act.

Held, dismissing the appellant's appeal with costs of RM4,000:

(1) It was trite that inherent distinctiveness and actual or factual distinctiveness formed the primary and secondary meaning or sense of

distinctiveness respectively. It could only be inherently distinctive if the mark was a wholly invented and fanciful sign to associate it with the plaintiff's product; to wit, wallpaper without describing the product itself in the mark. The plaintiff's product in its course of trade here was principally wallpaper produced and imported from South Korea. The mark in itself possesses the words 'Wallpaper' and 'Korea' which was descriptive of the product as well as the geographical origin of its source of production. It was therefore not inherently distinctive. It was thus plain that the law did not permit a monopoly in descriptive terms. The mark was not inherently distinctive because it was not a wholly invented and fanciful sign by the plaintiff that was associated with the plaintiff's product (see paras 26–29).

(2) Notwithstanding that the mark was not inherently distinctive, it might still be registrable if it was actually or factually distinctive in that the uninformed public could readily associate the mark with the plaintiff's product. The plaintiff must necessarily prove years of use and business which resulted in the public associating the mark with the plaintiff's product prior thereto. In the present case, the supporting documents adduced by the plaintiff were inadequate to connect the mark with the general public including consumers of the plaintiff's product. There was no cogent evidence that supported the plaintiff's claim of public association of its product with the mark. The plaintiff had in the circumstances failed to prove actual or factual distinctiveness in the mark. Hence, the plaintiff had not succeeded in establishing the registrability of the mark pursuant to s 10(1)(e) of the Act (see paras 30, 32 & 35–36).

[Bahasa Malaysia summary

Ini adalah rayuan terhadap keputusan pendaftar Cap Dagangan dalam menolak permohonan cap dagangan. Plaintif adalah syarikat berhad swasta dan terlibat dalam perniagaan jualan dan pemasaran kertas dinding. Defendan adalah sebuah badan yang dibentuk menurut s 4 Akta Cap Dagangan 1976 ('Akta'). Plaintif telah membuat permohonan kepada defendan melalui permohonan No 2012058631 dalam Kelas 27 ('permohonan') untuk mendaftarkan cap dagangan yang dinamakan sebagai 'Korea Wallpaper' ('cap tersebut') tetapi defendan menolak permohonan plaintif. Akibatnya dan di atas permintaan plaintif, terdapat perbicaraan yang dijalankan di hadapan defendan pada 11 April 2016 di mana ejen cap dagangan plaintif membuat representasi. Ejen cap dagangan plaintif setelah itu menghantar hujahan selanjutnya dan mengemukakan dokumentasi sokongan selanjutnya kepada defendan. Selepas pertimbangan yang sewajarnya, defendan sekali lagi menolak permohonan plaintif dengan alasan ia tidak mematuhi s 10(1) Akta. Plaintif tidak berpuas hati dengan keputusan defendan dan dengan itu memfailkan rayuan semasa. Defendan mendapati bahawa permohonan tersebut tidak memenuhi mana-mana bahagian dalam s 10(1) Akta. Salah satu

alasan keputusan yang dibuat oleh defendan adalah bahawa cap tersebut bukan cap distinktif yang ditetapkan dalam s 10(1)(e) Akta. Cap tersebut pada asasnya tidak boleh membezakan kerana ia merupakan gabungan dari kata-kata deskriptif yang merujuk secara langsung kepada produk plaintif bersama dengan nama geografi. Cap tersebut pada hakikatnya tidak boleh membezakan kerana defendan gagal mengemukakan bukti tentang penggunaan cap dalam tempoh yang lama dan meluas sehingga orang awam mengaitkan nama dengan cap tersebut. Plaintif, dalam rayuan semasa, hanya memfokuskan pada fakta bahawa cap tersebut sepatutnya didaftarkan sebagai cap distinktif menurut s 10(1)(e) Akta.

Diputuskan, menolak rayuan perayu dengan kos sebanyak RM4,000:

(1) Adalah jelas bahawa distinktif asas dan distinktif sebenar atau distinktif hakikat masing-masing membentuk makna atau pemahaman utama dan sekunder distinktif. Ia hanya boleh menjadi distinktif asas jika cap tersebut adalah satu cap yang dicipta sendiri dan luar biasa untuk mengaitkannya dengan produk plaintif; iaitu kertas dinding tanpa menerangkan tentang produk itu sendiri di dalam cap tersebut. Produk plaintif yang diniagakan di sini pada dasarnya adalah kertas dinding yang dihasilkan dan diimport dari Korea Selatan. Cap itu sendiri mempunyai perkataan 'Wallpaper' dan 'Korea' yang menerangkan tentang produk serta asal geografi sumber pengeluarannya. Oleh itu, ia tidak distinktif pada asasnya. Oleh itu, jelas bahawa undang-undang tidak membenarkan monopoli dalam istilah deskriptif. Cap tersebut tidak distinktif secara asasnya kerana ia bukan merupakan cap yang sepenuhnya dicipta dan tanda yang luar biasa oleh plaintif yang dikaitkan dengan produk plaintif (lihat perenggan 26–29).

(2) Walaupun cap tersebut tidak secara asasnya distinktif, ia mungkin masih boleh didaftarkan jika ia sebenarnya atau secara hakikatnya distinktif kerana orang awam yang tidak mengetahui dapat dengan mudah mengaitkan cap tersebut dengan produk plaintif. Plaintif mesti membuktikan tempoh tahun penggunaan dan perniagaan yang mengakibatkan orang ramai mengaitkan cap tersebut dengan produk plaintif sebelum itu. Dalam kes semasa, dokumen-dokumen sokongan yang dikemukakan oleh plaintif tidak mencukupi untuk mengaitkan cap tersebut dengan orang ramai termasuk pengguna produk plaintif. Tidak ada keterangan yang jelas yang menyokong tuntutan plaintif mengenai orang awam yang mengaitkan produknya dengan cap tersebut. Plaintif dalam keadaan ini tidak dapat membuktikan distinktif sebenar atau hakikat dalam cap tersebut. Oleh itu, plaintif tidak berjaya membuktikan kebolehdaftaran cap tersebut menurut s 10(1)(e) Akta (lihat perenggan 30, 32 & 35–36).]

Notes

For a case on refusal, see 12(2) *Mallal's Digest* (5th Ed, 2017 Reissue) para 3061.

Cases referred to

Bata Ltd v Sim Ah Ba @ Sim Teng Khor & Ors (trading as Kheng Aik Trading) [2006] 6 MLJ 445, CA (refd)
Fanfold Ltd's Application, Re (1928) 45 RPC 325, CA (refd)
Kraft Foods Schweiz Holding GmbH v Pendaftar Cap Dagangan [2016] 11 MLJ 702, HC (refd)
Lim Yew Sing v Hummel International Sports & Leisure A/S [1996] 3 MLJ 7, CA (refd)
Lockheed Martin Corp v Raytheon Co [2010] 7 MLJ 624, HC (refd)
Reddaway & Co and Another v Banham & Co and Another [1895–99] All ER Rep 133; [1896] AC 199, HL (refd)
Service Master (M) Sdn Bhd v MHL Servicemaster Sdn Bhd & Anor and another application [1998] 5 MLJ 378, HC (refd)
Smith Kline & French Laboratories Ltd's Cimetidine Trade Mark, Re [1991] RPC 17, ChD (refd)
Smith Kline and French Laboratories Ltd v Sterling-Winthrop Group Ltd [1975] 2 All ER 578; (1976) 93 RPC 20, HL (refd)
Standard Cameras Ltd's Application (1952) 69 RPC 125, Ch D (refd)
The Registrar of Trade Marks v W&G Du Cros, Limited Et E Contra [1913] AC 624; (1913) 30 RPC 660, HL (refd)
Yong Sze Fan & Anor v Sharifah binti Mohd Tamin & Ors [2008] 7 MLJ 803, HC (refd)
Yorkshire Copper Works Ltd v Registrar of Trade Marks [1954] 1 All ER 570, HL (refd)

Legislation referred to

Rules of Court 2012 O 55A, O 92 r 1
Trade Marks Act 1976 ss 4, 10, 10(1), (1)(a), (1)(b), (1)(c), (1)(d), (1)(e), (2A), (2B), 25(5), (6), (7)

Lee Kok Phong (M Scully) for the plaintiff.
Mohamad Rahim bin Arafpin (Perbadanan Harta Intelek) for the defendant.

Lim Chong Fong J:

INTRODUCTION

[1] This is an appeal against the decision of the registrar of trademarks in rejecting the trademark application.

[2] The plaintiff is a private limited company and is involved in the business of sales and marketing of wallpaper.

[3] The defendant is the body constituted pursuant to s 4 of the Trade Marks Act 1976 ('the TMA').

SALIENT FACTS

[4] The plaintiff on 31 October 2012 made an application to the defendant via application No 2012058631 in Class 27 ('application') to register the following trademark:

('mark').

[5] By letter dated 18 April 2013, the defendant rejected the plaintiff's application.

[6] In consequence and at the behest of the plaintiff, there was a hearing conducted before the defendant on 11 April 2016 where in the plaintiff's trademark agent made representations. The plaintiff's trademark agent thereafter sent further submissions and produced further supporting documentation to the defendant on 6 May 2016 and 26 September 2016.

[7] After due consideration, the defendant by letter dated 5 October 2016 again rejected the plaintiff's application by reason that it did not comply with s 10(1) of the TMA ('decision'). The grounds of decision of the defendant

dated 4 June 2018 ('grounds') were subsequently furnished to the plaintiff on 5 June 2018.

[8] The plaintiff was dissatisfied with the decision and has accordingly filed this appeal on 3 July 2018 ('appeal').

[9] The affidavits that were filed for purposes of this appeal are as follows:

(a) the plaintiff's affidavit in support affirmed by Tan Chun Hooi on 2 July 2018;

(b) the defendant's affidavit in reply affirmed by Azahar bin Abdul Razab on 10 August 2018;

(c) the plaintiff's affidavit in reply affirmed by Tan Chun Hooi on 13 September 2018; and

(d) the defendant's affidavit in reply affirmed by Azahar bin Abdul Razab on 21 September 2018.

[10] After reading the written submissions filed by the parties, I heard counsel on 11 October 2018. I thereafter adjourned my decision to deliberate on the arguments advanced by the parties.

[11] Having duly done so, I furnish below my decision together with the supporting grounds.

CONTENTIONS AND FINDINGS

[12] The grounds of the defendant's decision are lucid. In gist, the defendant found that the application did not meet any of the limbs in s 10(1) of the TMA.

[13] In this respect, the defendant found notwithstanding that the defendant's name is Korea Wallpaper Sdn Bhd, the mark does not constitute a name mark that is represented in a special or particular manner stipulated in s 10(1)(a) of the TMA following *Fanfold Ltd's Application, Re* (1928) 45 RPC 325.

[14] Next, the defendant found that the mark does not represent the signature of the plaintiff stipulated in s 10(1)(b) of the TMA following *Standard Cameras Ltd's Application* (1952) 69 RPC 125.

[15] The defendant further found that the mark is plainly not an invented word stipulated in s 10(1)(c) of the TMA following *Bata Ltd v Sim Ah Ba @ Sim Teng Khor & Ors (trading as Kheng Aik Trading)* [2006] 6 MLJ 445.

[16] The defendant also found that the mark is generic and of descriptive words which has direct reference to the defendant's goods or product; to wit, wallpaper. That aside, the mark is a geographical name too; to wit, Korea which is a region in East Asia forming a peninsula between the Sea of Japan (East Sea) and the Yellow Sea now divided into the countries of North Korea and South Korea. In the premises, the Mark did not conform with s 10(1)(d) of the TMA following *Smith Kline and French Laboratories Ltd v Sterling-Winthrop Group Ltd* [1975] 2 All ER 578; (1976) 93 RPC 20 and *The Registrar of Trade Marks v W&G Du Cros, Limited Et E Contra* [1913] AC 624; (1913) 30 RPC 660 as well as *Yorkshire Copper Works Ltd v Registrar of Trade Marks* [1954] 1 All ER 570.

[17] Finally, the defendant found that the mark is not a distinctive mark stipulated in s 10(1)(e) of the TMA. The mark is not inherently distinctive because it is a combination of the descriptive words that has direct reference to the plaintiff's product together with a geographical name following *Smith Kline & French Laboratories Ltd's Cimetidine Trade Mark, Re* [1991] RPC 17. Additionally, the mark is not factually distinctive because the defendant failed to sufficiently adduce evidence of long and extensive use of the mark that the public associates the name with the mark following *Service Master (M) Sdn Bhd v MHL Servicemaster Sdn Bhd & Anor and another application* [1998] 5 MLJ 378.

[18] This appeal is governed by s 25(5)–(7) of the TMA as well as O 55A of the Rules of Court 2012. They read as follows respectively.

25 Registration

(1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him may make application to the Registrar for the registration of that mark in of the Register in the prescribed manner.

(2) An application shall not be made in respect of goods or services comprised in more than one class.

(3) Subject to the provisions of this Act, the Registrar may refuse the application or may accept it absolutely or subject to such conditions, amendments, modifications or limitations, if any, as he may think right to impose.

(4) In the case of refusal or conditional acceptance the Registrar shall, if required by the applicant, state in writing the grounds of his decision and the material used by him in arriving at the same.

(5) A decision of the Registrar under subsection (3) is subject to appeal to the Court.

(6) An appeal under this section shall be made in the prescribed manner and the Court shall, if required, hear the applicant and the Registrar, and shall

make an order determining whether, and subject to what conditions, amendments, modifications or limitations, if any, the application is to be accepted.

(7) The appeal shall be heard on the material stated by the Registrar to have been used by him in arriving at his decision and no further grounds of objection to the acceptance of the application shall be allowed to be taken by the Registrar other than those so stated except by leave of the Court.

(8) Where any further grounds of objection are taken the applicant shall be entitled to withdraw his application without payment of costs on giving notice in the prescribed manner.

(9) The Registrar or the Court, as the case may be, may at any time, whether before or after acceptance, correct any error in or in connection with the application or may permit the applicant to amend his application upon such terms as he or it may think fit.

(10) Any application submitted and accepted under this section shall notwithstanding any correction or amendment permitted by the Registrar or the Court to be made in such application be deemed to have been made on the date of its original submission.

(11) (Deleted by Act A1078: s 9)

(12) Without prejudice to subsection (10) where after the acceptance of an application for registration of a trade mark but before the registration of the trade mark the Registrar is satisfied —

(a) that the application has been accepted in error; or

(b) that in the special circumstances of the case the trade mark shall not be registered or shall be registered subject to additional or different conditions or limitations,

the Registrar may withdraw the acceptance and proceed as if the application had not been accepted or, in respect only of a trade mark which shall be registered subject to additional or different conditions or limitations, reissue a new acceptance subject to additional or different conditions or limitations.

55A Appeals to high court under written laws

(1) Where under any written law an appeal lies from any decision of any person or body of persons to the High Court such appeal shall be made to the High Court in the State where the decision was given by way of an originating summons setting out the grounds of the appeal and supported by an affidavit, and if the Court so directs at the hearing of the appeal, by way of oral evidence.

(2) The appellant shall annex the following documents as exhibits to the affidavit filed in support of the originating summons or to such further affidavit as may be filed in the appeal proceedings:

(a) the notes of evidence, if available, recorded wholly or partly by mechanical means;

(b) the grounds of decision, if available;

(c) the decision of the statutory body, if available; and

(d) all such documentary exhibits and other documents the parties shall consider relevant for the purposes of appeal:

Provided that the originating summons shall be filed notwithstanding that the grounds of decision are not available or ready. If the grounds of decision become available, then they shall be filed by way of a further affidavit without the leave of the High Court.

(3) Unless otherwise provided by any written law, such appeal must be filed in the manner prescribed in paragraph (2) within one month from the date on which the decision was given or the date on which such decision was notified to the person appealing, whichever is the later date.

(4) Unless otherwise provided by any written law, the originating summons shall be served on the respondent in such appeal or where the respondent is a body of persons, on the secretary, registrar or such other officer of that body of persons.

[19] Simply put, this appeal is basically a review of the defendant's decision as gleaned from the grounds.

[20] It is firstly apt that I reproduce s 10 of the TMA which reads as follows:

10 Registrable trade marks

(1) In order for a trade mark (other than a certification trade mark) to be registrable, it shall contain or consist of at least one of the following particulars:

(a) the name of an individual, company or firm represented in a special or particular manner;

(b) the signature of the applicant for registration or of some predecessor in his business;

(c) an invented word or words;

(d) a word having no direct reference to the character or quality of the goods or services not being, according to its ordinary meaning, a geographical name or surname; or

(e) any other distinctive mark.

(2) A name, signature or word which is not described in paragraph (1)(a), (b), (c) or (d) is not registrable unless it is by evidence shown to be distinctive.

(2A) For the purposes of this section, 'distinctive', in relation to the trade mark registered or proposed to be registered in respect of goods or services, means the trade mark must be capable of distinguishing goods or services with which the proprietor of the trade mark is or may be connected in the course of trade from goods or services in the case of which no such connection subsists, either generally

or, where the trade mark is registered or proposed to be registered, subject to conditions, amendments, modifications or limitations, in relation to use within the extent of the registration.

(2B) In determining whether a trade mark is capable of distinguishing as aforesaid, regard may be had to the extent to which —

(a) the trade mark is inherently capable of distinguishing as aforesaid; and

(b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid.

(3) A trade mark may be registered in the Register in respect of any goods or services.

[21] Generally, it was held by Ramly Ali J (now FCJ) in *Yong Sze Fan & Anor v Sharifah binti Mohd Tamin & Ors* [2008] 7 MLJ 803 as follows:

From the wordings of s 10(1) it is clear that only one condition needs to be satisfied for the mark to be considered to be registrable. There is no necessity for the proprietor of the mark to fulfill every single condition as that was not the intention of s 10(1). It therefore follows that a trademark which does not satisfy 10(1)(a) does not necessarily imply that the trademark is not registrable. A trademark may still be registrable if it fulfills any one of the above conditions under s 10(1).

This position was accepted *In the Matter of Application of the Eastman Photographic Materials Company Ltd for a Trade Mark* [1898] RPC 476 where Lord Herschell in the House of Lords held at page 484 that 'the words that introduce the section, the particulars designated under the headings (a)–(e) are treated as separate and distinct'. The House of Lords here were interpreting a provision of the then UK Act, which dealt with registrability of trademarks. The provision was similar to that found under the Malaysian Trade Marks Act 1976 and starts of with the phrase 'Mark must consist at least one of the particulars ...' and thus would be equally relevant and applicable for the purposes of interpretation of our s 10(1). This would be coupled with the obvious literal and purposive interpretation of s 10(1).

[22] The plaintiff has before me in this appeal only focussed on the point that the mark ought to be registered as a distinctive mark pursuant to s 10(1)(e) of the TMA. In this respect the plaintiff referred to the Court of Appeal case of *Lim Yew Sing v Hummel International Sports & Leisure A/S* [1996] 3 MLJ 7 where Mahadev Shanker JCA held as follows:

By the definition s 3, a 'mark' includes '... a device ... word ... or any combination thereof'. ('HUMMEL' is a word and the half moon is a device). A trademark means:

... a mark used or proposed to be used in relation to goods or services for the purpose of indicating ... a connection in the course of trade between the goods or services and a person having the right either as proprietor or as registered user to use the mark ...

By s 10, in order for a trademark 'to be registrable ... it shall contain or consist of at least one of the following particulars':

A ...

(d) a word having no direct reference to the character or quality of the goods or services not being, according to its ordinary meaning, a geographical name or surname; or

B (e) any other distinctive mark.

Pausing here, let it be noted that Madrid being the name of a place and Olsen being a Scandinavian surname will not be registrable in Malaysia. There can be no property in a mark which is not registrable.

C What emerges from s 12 is that, to be a trademark, the mark has to be distinctive of the goods of its proprietor. That distinctiveness has to be gauged by the extent to which the trademark is adapted to distinguish the goods with which its proprietor is connected in the course of trade goods with which no connection subsists. For the purpose of establishing distinctiveness, therefore, one must look to the use of the mark in the course of trade. The element of confusion comes in when goods D belonging to two different proprietors with similar marks are competing in the same market in the course of trade. The confusion here is in the perception of the consumer.

E The plaintiff also referred to the case of *Lockheed Martin Corp v Raytheon Co* [2010] 7 MLJ 624 where Azahar Mohamed J (now FCJ) held as follows:

[35] I now turn to consider s 10(1)(e) of the Act, which provides that the trademark must be 'any other distinctive mark'.

F [36] Distinctiveness is determined by ascertaining whether the trademark is inherently capable, or by reason of use of the mark or of any other circumstances, capable of distinguishing the goods or services of the proprietor. In this regard s 10(2A) of the Act imposed conditions on 'distinctive' as follows:

G (2A) For the purposes of this section, 'distinctive', in relation to the trade mark registered or proposed to be registered in respect of goods or services, means the trade mark must be capable of distinguishing goods or services with which the proprietor of the trade mark is or may be connected in the course of trade from goods or services in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered, subject to conditions, amendments, modifications or limitations, in relation to H use within the extent of the registration.

[37] In summary, for a trademark to be 'capable of distinguishing', it must be inherently distinctive; or factually distinctive. In *Yong Sze Fan & Anor v Sharifah bt Mohd Tamin & Ors* [2008] 7 MLJ 803, Ramly Ali J (as he then was) held at p 817:

I The court is of the view that the mark is distinctive within the meaning of the Trade Marks Act 1976 in that it is capable of distinguishing the goods of the respondents from the goods of other traders. The mark is both inherently and factually distinctive of the respondents in this case. In deciding inherent distinctiveness, the case of *W & G Du Cros Ltd's Application* (1913) 30 RPC 660 can be relied upon. It was held by Lord Parker at p 671 as follows:

> The applicant for registration in effect says 'I intend to use this mark as a trademark ie, for the purpose of distinguishing my goods from the goods of other persons', and the registrar or the court has to determine, before the mark is admitted to registration, whether it is such a kind that the applicant, quite apart from the effects of registration, is likely to attain the object he has in view. The applicant's chance of success in this respect, must, I think largely depend upon whether other traders are likely, in the ordinary course of their business and without improper motive, to desire to use the same mark, or some mark closely resembling it, upon or in connection with their own goods.

[23] The plaintiff implored me that its product bearing the mark accordingly stood out amongst its competitors making them and other traders unlikely in the ordinary course of their business and without improper motive using the mark. According to the plaintiff, the mark was extensively used as evidenced by the following:

(a) a billboard bearing the mark was put up at the plaintiff's business premises in Puchong, Johor Bahru and Penang;

(b) the plaintiff's invoices were issued bearing the mark that generated revenue of RM4,012,235 and RM8,028,521 for 2013 and 2014 respectively;

(c) the plaintiff has almost 285,000 Facebook fans and like endorsement on its Facebook page bearing the mark; and

(d) the mark was used in the plaintiff's promotional materials such as signboards, festive greeting cards, etc.

[24] Furthermore, the plaintiff emphasised that it has attained sufficient reputation and goodwill amongst merchants in the business world, traders and public at large because of its extensive sales and promotion of its product which featured the mark as evidenced by the following:

(a) the plaintiff's marketing director Albert Chew Lee Sin has been interviewed by *Sin Chew Daily* for the good quality of the plaintiff's wallpaper and the interview was published on 19 October 2011;

(b) articles were written by Impiana Dapur and Praktis pertaining to the plaintiff's business and products;

(c) the plaintiff has been awarded with the top 50 Enterprise Awards 2016 by Malaysia Entrepreneurs Development Association for 2015/2016 and has been recognised as a top 50 enterprise for 2016 in Malaysia;

(d) the plaintiff has been awarded the SME Brand Excellence Award for year 2015 by SME Association of Malaysia;

A (e) the plaintiff has been awarded with the Platinum Business Award 2016 for year 2016 by SME Association of Malaysia; and

(f) the plaintiff has been awarded with the Junior Chamber International Creative Young Entrepreneur Award Program.

B

[25] A registered or registrable trademark must be distinctive as prescribed in s 10(2A) of the TMA and this in my opinion simply meant that the trademark must possess such unique characteristic identifiable with the trader's goods and services differentiating them from the goods and services of other traders.

C

[26] It is further plain from s 10(2B) of the TMA and in the recent case of *Kraft Foods Schweiz Holding GmbH v Pendaftar Cap Dagangan* [2016] 11 MLJ 702 that distinctiveness of the trademark may be ascertained from either its own inherent distinguishing feature or by being factually capable of
D distinguishing or both cumulatively. It is trite that inherent distinctiveness and actual or factual distinctiveness formed the primary and secondary meaning or sense of distinctiveness respectively.

E **[27]** As to the mark in issue here, I hold that it can only be inherently distinctive if the mark is a wholly invented and fanciful sign to associate it with the plaintiff's product; to wit, wallpaper without describing the product itself in the mark. It has been held by Kamalanathan J in *Service Master (M) Sdn Bhd v MHL Servicemaster Sdn Bhd & Anor and another application* [1998] 5 MLJ
F 378 that a trademark cannot be distinctive if it is descriptive of the trader's business.

[28] The plaintiff's product in its course of trade here is principally wallpaper produced and imported from South Korea. The mark in itself
G possesses the words 'Wallpaper' and 'Korea' which is descriptive of the product as well as the geographical origin of its source of production. It is therefore not inherently distinctive. In *Smith Kline & French Laboratories Ltd's Cimetidine Trade Mark, Re* [1991] RPC 17, Peter Gibson J (later LJ) held as follows:

H

> In considering whether the claimed mark is inherently adapted to distinguish, the court takes account of the likelihood that other traders may, without improper motive, desire to use the trademark in relation to their own goods. On grounds of public policy, a trader will not be allowed to obtain, by a trademark, a monopoly in what other traders may legitimately wish to use ... Thus even if a mark is completely or highly distinctive in fact, the mark will not be distinctive in law if it consists or
I ordinary English words of description or praise or initials which other traders might have or want to use or geographical names, unless if such incongruity with the specified goods as would not occur to other traders to use in relation to similar goods.

It is thus plain that the law does not permit a monopoly in descriptive terms. This is to me perfectly sound and desirable in the open Malaysian economy that thrives on free and fair trade.

[29] Consequently and upon my careful review of the mark, I do not find it inherently distinctive because it is not a wholly invented and fanciful sign by the plaintiff that is associated with the plaintiff's product.

[30] Notwithstanding that the mark is not inherently distinctive, it may still be registrable if it is actually or factually distinctive in that the uninformed public can readily associate the mark with the plaintiff's product. The rationale is explained by Lord Oliver as follows in *Reddaway & Co and Another v Banham & Co and Another* [1895–99] All ER Rep 133; [1896] AC 199:

> ... even a purely descriptive term consisting of perfectly ordinary English words may, by a course of dealing over many years, become so associated with a particular trader that it acquires a secondary meaning such that it may properly be said to be descriptive of that trader's goods and of his goods alone, ...

Furthermore, Lord Herschell justified it as follows:

> ... I think the fallacy lies in overlooking the fact that a word may acquire in a trade a secondary signification differing from its primary one, and that if it is used to persons in the trade who will understand it, and be known and intended to understand it in its secondary sense, it will none the less be a falsehood that in its primary sense it may be true. A man who uses language which will convey to persons reading or hearing it a particular idea which is false, and who knows and intends this to be the case, is surely not to be absolved from a charge of falsehood because in another sense which will not be conveyed and is not intended to be conveyed it is true. In the present case the jury have found, and in my opinion there was ample evidence to justify it, that the words 'camel hair' had in the trade acquired a secondary signification in connection with belting, that they did not convey to persons dealing in belting the idea that it was made of camel's hair, but that it was belting manufactured by the plaintiffs. They have found that the effect of using the words in the manner in which they were used by the defendants would be to lead purchasers to believe that they were obtaining goods manufactured by the plaintiffs, and thus both to deceive them and to injure the plaintiffs.

[31] The attainment of actual or factual distinctiveness is a question of fact that has to be established by way of cogent evidence of years of use and business in respect of the circulation of the product bearing the mark and public identification with it readily.

[32] In this respect, I noted that the application was made by the plaintiff on 31 October 2012. Consequently, the plaintiff must necessarily prove years of use and business which resulted in the public associating the mark with the

A plaintiff's product prior thereto. As a matter of fact, the plaintiff only changed its corporate name to Korea Wallpaper Sdn Bhd on 7 June 2012 from its original name of Prima Habitat Sdn Bhd that was incorporated on 6 November 2009. It is uncertain as to when the plaintiff actually commenced its wallpaper business.

B

[33] There is no evidence adduced by the plaintiff as to its wallpaper product sold bearing the mark between 2009 and 2012. The plaintiff only referred and relied on the article in respect of a press interview by Sin Chew Daily that was published on 19 October 2011 which featured the plaintiff's marketing director Albert Chew Lee Sin. This article is incomprehensible because it has been exhibited in the plaintiff's supporting affidavit only in its original content in the Chinese language without translation in breach of O 92 r 1 of the Rules of Court 2012. It is entirely unhelpful.

C

D

[34] As to the plaintiff's other supporting documents which were all post 2012 and as submitted by the defendant, I find that they related more to the plaintiff's company as well as its subsidiary company Centre of Design Excellence Sdn Bhd ('CDE') rather than the mark. It can be discerned that the plaintiff imported wallpapers primarily from two Korean companies; to wit, Shinahan Wall Coverings Co Ltd and Cosmos Wallpaper Co Ltd. These wallpapers were however thereafter sold by CDE to customers. I noticed that the mark only appeared co-incidentally in their publicity signage and business documentation such as CDE's taxes invoices.

E

F

[35] Be that as it may and more pertinently, I find and hold that the supporting documents adduced by the plaintiff are inadequate to connect the mark with the general public including consumers of the plaintiff's product. They are principally self serving documents which merely highlighted the plaintiff's or more accurately CDE's corporate successes and achievements that may have nothing to do with the mark whatsoever. There is in other words no cogent evidence that supports the plaintiff's claim of public association of its product with the mark. I had expected to see the findings of a detail market survey by an independent researcher and the statistical results that connect the uninformed public and the plaintiff's product via the mark. In this regard, the derivation of a strong statistical correlation obtained from the survey is necessary to justify and conclude that there is indeed factual distinctiveness in the mark.

G

H

I

[36] As the result, I find that the plaintiff has in the circumstances failed to prove actual of factual distinctiveness in the mark too. Hence, the plaintiff has not succeeded in establishing the registrability of the mark pursuant to s 10(1)(e) of the TMA.

[37] For completeness and albeit unargued by the plaintiff before me, I have reviewed the findings and conclusions of the defendant in the grounds in respect of the inapplicability of the other provisions of s 10(1)(a)–(d) of the TMA pertaining to the registrability of the mark and I am also satisfied that there is no appealable error on the part of the defendant.

CONCLUSION

[38] For the foregoing reasons, this appeal is therefore dismissed with costs of RM4,000.

Appellant's appeal dismissed with costs of RM4,000.

Reported by Mohd Kamarul Anwar